



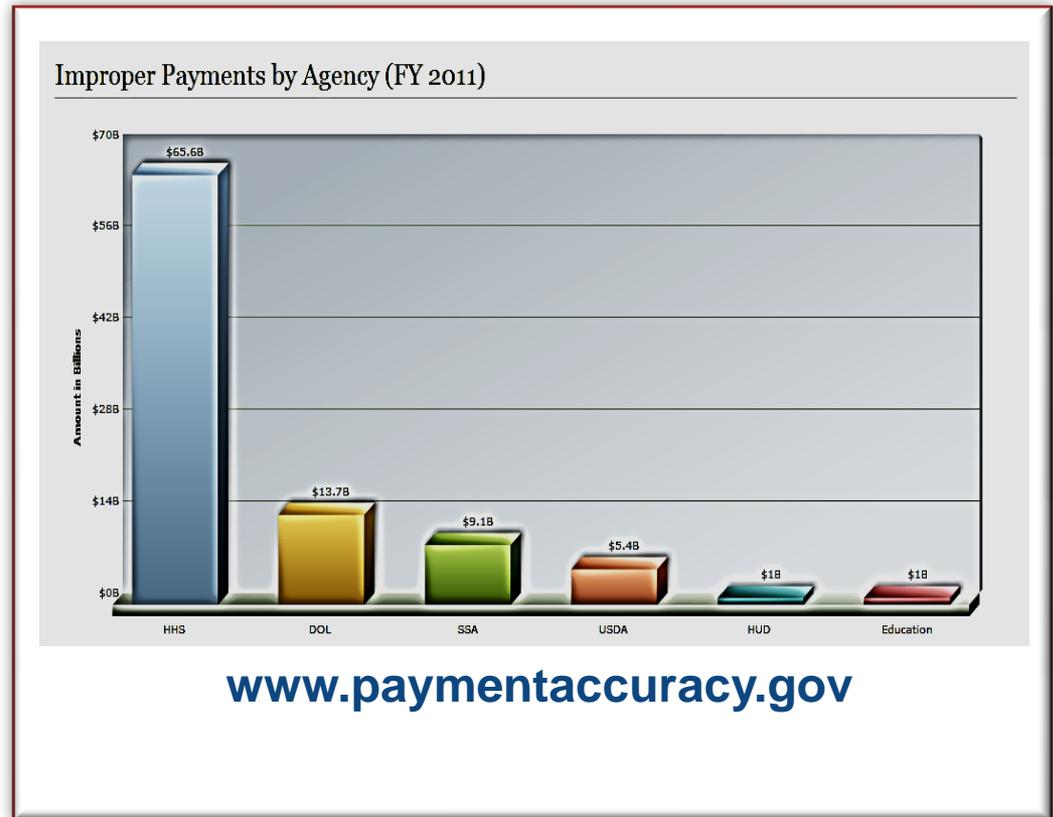
Updating PERM on esMD

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OFM / CMS Provider Compliance Group

Improper Payments

- Medicare receives **4.8 M** claims per day.
- CMS' Office of Financial Management estimates that each year
 - the Medicare FFS program issues more than **\$28.8 B** in improper payments (error rate 2011: 8.6%).
 - the Medicaid FFS program issues more than **\$21.9 B** in improper payments (error rate: 8.1%).
- Most improper payments can only be detected by a human comparing:
 - a claim to
 - the medical documentation.



Background Facts about Medical Documentation Requests

➤ Medical Documentation Requests are sent by:

- Medicare Administrative Contractors (MACs) Medical Review (MR) Departments
- (Medicare) Comprehensive Error Rate Testing Contractor (CERT)
- (Medicaid) Payment Error Rate Measurement Contractor (PERM)
- Medicare Recovery Auditors (formerly called RACs)

These contractors are overseen by OFM/PCG

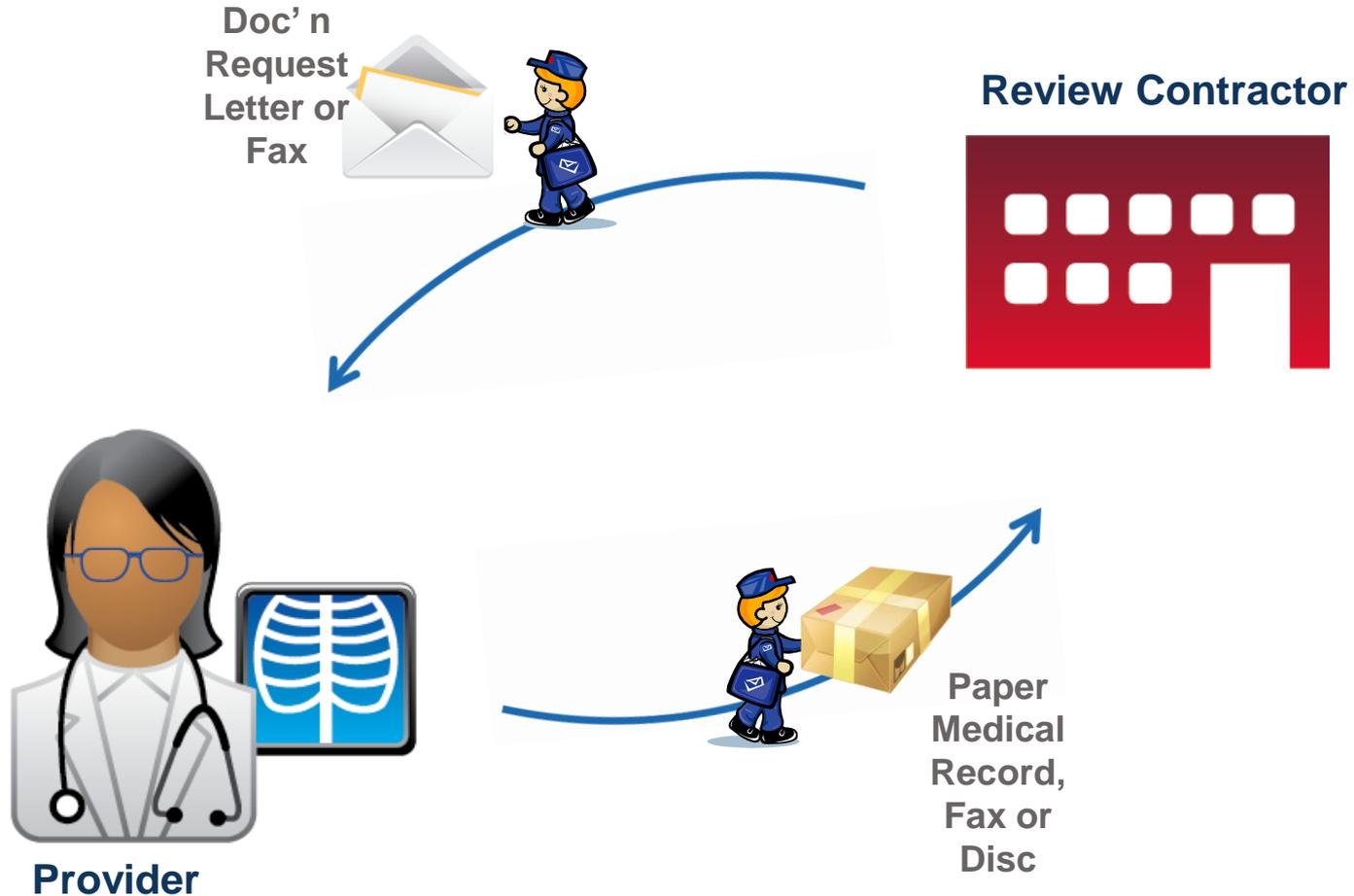
- **George Mills**, Director
- **Melanie Combs-Dyer**, Deputy Director

➤ Claim review contractors issue over **1 million** requests for medical documentation each year.

➤ Claim review contractors currently receive most medical documentation in **paper** form or via fax.

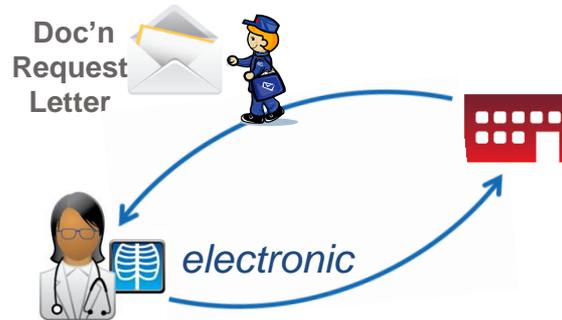
Medical documentation request are also sent by:	Overseen by:
MAC Cost Report Audit Departments	OFM/FSG
Coordination of Benefit Contractor	OFM/FSG
HITECH Auditor	OFM/FSG
QIOs	OCSQ
QICs	CM

PERM Documentation Request Process



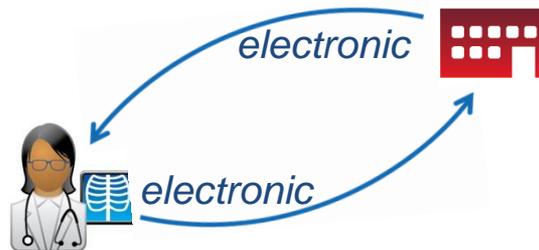
Added Convenience and Benefits of the Electronic Submission of Medical Documentation (esMD) for PERM

Phase 1:



Approved by TRB
(Went live Sept 15, 2011)

Phase 2:



Being Planned for 2013

esMD is NOT Mandatory for Providers

CMS recognizes that not all providers are adopting Health Information Technology (HIT) and Electronic Health records (EHR) solutions at the same pace.

HIT Adoption Rate

Late Adopter

- Still using paper records.
- Intends to rely on fax machines, USPS, FedEx, etc. for the for the next 10 years.

Average Adopter

- Using imaged & electronic records.
- Will wait to see which esMD Service Providers emerge in their area (and at what price).

Early Adopter

- Has used EHRs for years.
- Ready for esMD now!

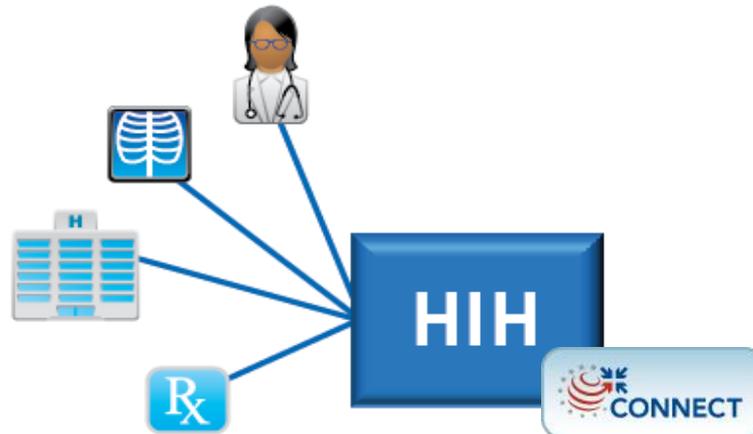
Review contractors cannot target providers for medical review just because they use esMD, CMS Program Integrity Manual Chapter 3, Section 3.2.1.

How Can Providers Obtain Access to a Gateway?

- Providers can build their own gateway



- Providers can contract with a Health Information Handler (HIH)



Most Providers Won't Build Their Own Gateway But Will Use an HIH to Provide Gateway Services

A Health Information Handler (HIH) is any company that handles health information on behalf of a provider. Examples include:

(1) Health Information Exchange (HIE)/Regional Health Information Organization (RHIO)

(2) Release of Information (ROI) Vendor

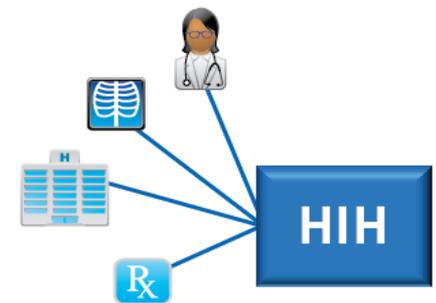
A company that manages the release of information for providers. Their services may include logging and tracking the request, retrieving the patient record from multiple locations in multiple formats, identifying the information needed to fulfill the request, requesting additional authorization, if needed, copying, packaging and mailing, and invoicing.

(3) Electronic Health Record (EHR) Vendor

(4) Claim Clearinghouse

(5) Health Internet Service Provider (HISP)

An entity that provides services that enable providers or health organizations to exchange health information using the internet.



Medicaid Providers Who Want to Submit Via esMD:
Should Obtain access to an esMD “gateway”.

CMS-Certified HIHs That Offer esMD “Gateway” Services

CMS Certified esMD HIHs
IVANS
MRO
RISARC
NaviNet
HealthPort
Health IT
ApeniMED Inc.
Cobius Healthcare Solutions
eSolutions, Inc.
IOD Incorporated
Medical Electronic Attachment (MEA)
The SSI Group
Proficient Health

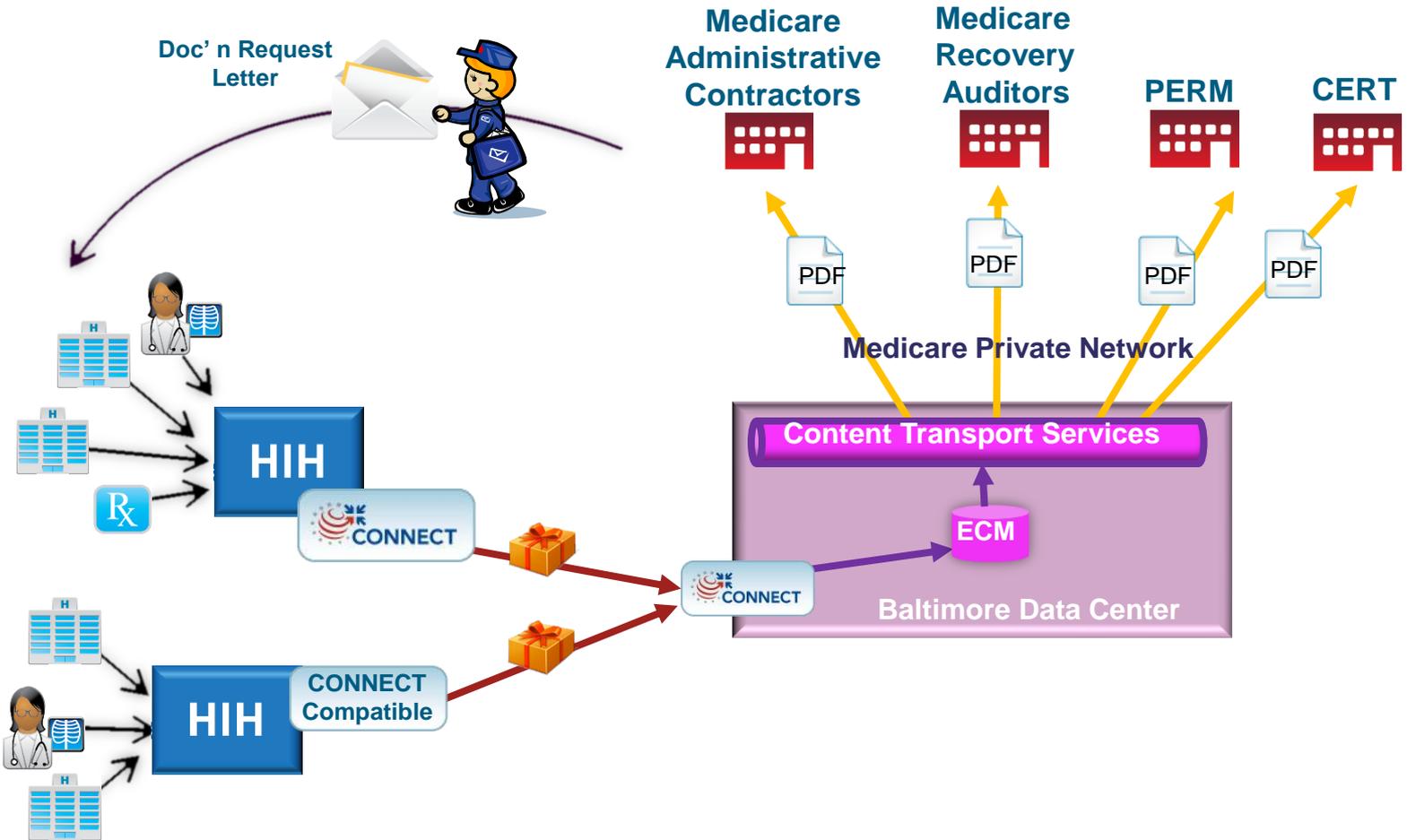
HIHs under Certification Process to Offer esMD Services
MediConnect
Craneware Insight
Verisma Systems
One Source Document Management
H&H Medical Records, LLC
LOISS
MedFORCE Technologies
North Kansas City Hospital
Rycan Technologies, Inc.
SunCoast RHIO, Inc.
Dorado Systems
MDclick

- Note: Are not funded by CMS or ONC
- For an updated list, visit: www.cms.hhs.gov/esMD

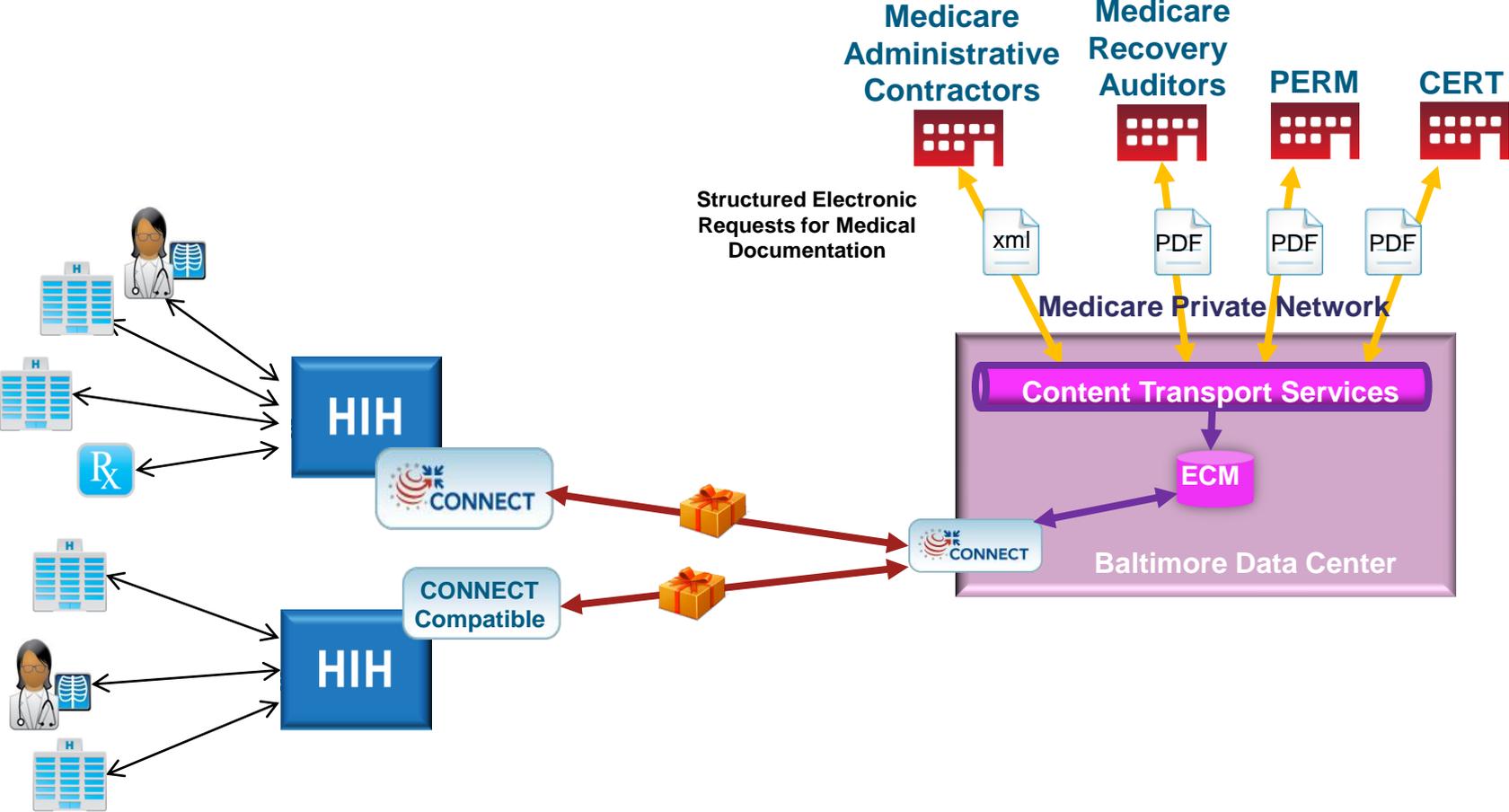
Questions a Provider may want to ask HIHs:

1. Do you offer esMD services in my state?
2. How will the medical records move from the provider to the HIH?
3. How much will you charge?

esMD Phase 1: September 2011



esMD Phase 2: Future will allow sending and receiving between CMS and the provider community.



Current and Future Use Cases for esMD

INBOUND (esMD Phase 1)

- Responses to Documentation Request Letters in PDF
- Unsolicited Documentation in PDF (called paperwork or “PWK”)
- Structured Orders, Progress Notes, ADMC Requests
- Structured esMD Phase 2 Registration
- Etc.



We Are Here

OUTBOUND (esMD Phase 2)

- Structured Outbound Documentation Requests
- Review Results Letters
- Demand Letters
- Etc.

LOOKUP (future phase)

- Request\Receive Documentation Status
- Request\Receive Claim Status
- Request\Receive Appeals Status
- Request\Receive Eligibility Info
- Etc.

For More Information

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